JOSH GOTTHEIMER
5TH DISTRICT, New JERSEY

WASHINGTON OFFICE:
203 CANNON HOUSE OFFICE BULDING
WASHINGTON, DC 20515
(202) 225-4465
FAX: (202) 225-90-48

HTTP://GOTTHEIMER.HOUSE.GOV

TWITTER: ® REPJOSHG

FACEBOOK: FACEBOOK.COM/REPJOSHG



## Congress of the United States House of Representatives Washington, DC 20515-3005

December 21, 2021

COMMITTEE

FINANCIAL SERVICES
SUBCOMMITTEES:

NATIONAL SECURITY, INTERNATIONAL DEVELOPME
AND MONETARY POLICY

INVESTOR PROTECTION, ENTREPRENEURSHIP,
AND CAPITAL MARKETS

DIVERSITY AND INCLUSION

HOMELAND SECURITY

INTELLIGENCE AND COUNTERTERRORISM

TRANSPORTATION AND MARITIME SECURITY

PROBLEM SOLVERS CAUCUS

CO-CHAIRMAN

The Honorable Joseph R. Biden The White House 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

Dear Mr. President:

As we approach the busiest shipping weeks of the year, holiday season pressures threaten to exacerbate supply chain disruptions brought on by the ongoing COVID-19 pandemic. For that reason, additional, immediate action to alleviate these disruptions is crucial. Therefore, please create a Strategic Shipping Reserve, which would include the United States Transportation Command fleet and activating the National Guard to help move critical supplies across our supply chains. This would help build on the progress made in recent weeks to ease supply chain disruptions and ensure that essential goods reach their destinations on time.

Pandemic-driven supply chain disruptions are having a real impact on the availability of vital products that many Americans and critical industries need. Perhaps most notably, this includes active pharmaceutical ingredients (APIs), the part of pharmaceutical products that produce the drug's intended effects. As a result, sustained supply chain disruptions threaten the life-saving drugs and other pharmaceutical products Americans rely on. In addition, pharmacists and manufacturers across the country are experiencing longer wait times for other essential health care supplies, including blood collection tubes, ingredients for COVID-19 tests, blood pressure medication, and over-the-counter drugs needed during flu season.

We appreciate the actions you have already taken to ease supply chain burdens. Thanks to you, the Ports of Los Angeles and Long Beach and the International Longshore and Warehouse Union have moved toward 24/7 operations with your assistance, and many of the country's largest retailers opted to move more goods at off-peak times. Major railroads have offered discounts to customers to move goods on weekends and during overnight hours. Importantly, working with you, Congress finally passed the Bipartisan Infrastructure Bill. This historic new law will upgrade our nation's ports, invest in our country's roads and bridges, devote resources to freight rail, and ensure our supply chain is resilient in the face of extreme weather and cyber-attacks.

However, more immediate action is still necessary to build upon this momentum. First, we strongly encourage you to activate the National Guard at the federal level to perform services key to the sound functioning of our supply chain, including moving essential materials. That includes offloading and trucking COVID-19-related pharmaceutical ingredients at our ports and delivering vital goods to nearby rail and warehouses. Just as the National Guard was activated

during the pandemic to distribute vaccines, we should activate the Guard now to help move critical goods.

In addition, to help move critical supplies to our ports, please create and activate a "Strategic Shipping Reserve" and utilize the United States Transportation Command (USTRANSCOM) Fleet, which includes non-combatant vessels in our armed forces. This Strategic Shipping Reserve should be used only for the most essential items, such as pharmaceuticals and hospital supplies. In total, these ships can carry thousands of containers and are well-equipped for this purpose. Currently, many of these ships are sitting idle, or are moving goods back from Europe and Asia and have excess capacity. Utilizing this Strategic Shipping Reserve will further ease supply chain disruptions at our ports and across the country.

Finally, we are also introducing legislation, the COVID-19 Supply Chain Relief Act, which will: 1) institute a federal Supply Chain Czar and establish individual regional supply chain leaders to help coordinate interstate response to supply chain disruptions, shortages, and increased prices; 2) allow states to deploy unused COVID-19 relief funds to help address supply chain bottlenecks in their states; and, 3) begin a thirty-day countdown clock on the U.S. Departments of Commerce and Transportation to report to Congress and the public on the major current chokepoints in our nation's supply chain. We would be grateful for your support.

You have already taken bold action to ease supply chain pressures. By taking these important steps, we can further alleviate these issues, our nation's economic recovery can continue uninhibited, and critical supplies will reach those who need them.

Sincerely,

Josh Gottheimer

MEMBER OF CONGRESS

Tom Reed

MEMBER OF CONGRESS